



  
\_\_\_\_\_  
**James M. Carr**  
**United States Bankruptcy Judge**

UNITED STATES BANKRUPTCY COURT  
SOUTHERN DISTRICT OF INDIANA  
INDIANAPOLIS DIVISION

IN RE: )  
 )  
ITT EDUCATIONAL SERVICES, INC., *et al.*<sup>1</sup> ) Case No. 16-07207-JMC-7A  
 )  
Debtors. ) Jointly Administered

**ORDER GRANTING TRUSTEE'S MOTION  
TO COMPROMISE AND SETTLE CERTAIN CLAIMS WITH THE  
DEPARTMENT OF THE TREASURY – INTERNAL REVENUE SERVICE**

This matter is before the Court on the *Trustee's Motion to Compromise and Settle Certain Claims with the Department of the Treasury – Internal Revenue Service* (the “Motion”) [Doc 3567], filed by Deborah J. Caruso, the chapter 7 trustee in this case (the “Trustee”). In the Motion, the Trustee requests entry of an order, pursuant to 11 U.S.C. §§ 105 and 363 and Rule 9019 of the Federal Rules of Bankruptcy Procedure, approving the proposed settlement between the Trustee and the IRS<sup>2</sup> regarding appeals associated with the audits of the Affiliated Debtors’ consolidated federal income tax returns for 2010, 2011 and 2012.

---

<sup>1</sup> The debtors in these cases, along with the last four digits of their respective federal tax identification numbers are ITT Educational Services, Inc. [1311]; ESI Service Corp. [2117]; and Daniel Webster College, Inc. [5980].

<sup>2</sup> Capitalized terms used but not otherwise defined herein shall have the meanings used in the Motion.

The Court, having considered the Motion and having convened a hearing on August 21, 2019, and being otherwise duly advised in the premises, determines that the Motion should be, and hereby is, GRANTED. Accordingly,

IT IS THEREFORE ORDERED as follows:

1. The Motion is GRANTED in its entirety.
2. The proposed settlement between the Trustee and the IRS as described in the Offer attached to the Motion as Exhibit 1 is hereby approved. The Trustee is authorized, pursuant to the terms of the Offer, to compromise and settle the appeals associated with the audits of the Affiliated Debtors' consolidated federal income tax returns for 2010, 2011 and 2012.
3. The Trustee is authorized to enter into the Offer, which shall remain subject to approval by the IRS Commissioner.

###